

# **Taxpayer Identity Theft Prevention and Enforcement Act**

**Congressman Kenny Marchant (TX-24)**

**Problem:** Identity theft in connection with tax offenses is not being prosecuted to a sufficient extent. The Department of the Treasury stated in their [FY2015 Greenbook](#) that tax-refund related identity theft, where stolen Social Security numbers are used to file false or fraudulent tax returns to obtain a refund, has drastically increased in recent years (see pg. 241). Without significant consequences to serve as a deterrent to the commitment of tax related identity theft, this number will only increase to the detriment of the American taxpayer.

In the 2014 filing season alone, the Internal Revenue Service (IRS) issued 1.2 million Identity Protection Personal Identification Numbers (IP PIN), which are unique identifiers issued annually to victims of identity theft for use when filing their tax returns. That number is up from the 770,000 individual IP PINs issued in the previous year, a 55 percent increase.

Current identity theft law only permits an increased sentence for a criminal when the identity of another individual is used to commit certain crimes enumerated in statute. This enumerated list **does not** include any tax offenses under the Internal Revenue Code (26 U.S.C. Chapter 75, Subchapter A) or any of the following tax-related offenses under Title 18:

- Conspiracy to defraud the government with respect to claims (18 U.S.C. § 286)
- False, fictitious, or fraudulent claims (18 U.S.C. § 287)
- Conspiracy (18 U.S.C. § 371)

While both Treasury and the IRS have implemented their own approaches to combat identity theft, additional legislative action is needed to provide these government agencies with the tools to prevent future crimes.

**Solution:** H.R. 2084: *Taxpayer Identity Theft Prevention and Enforcement Act*

H.R. 2084 adds the tax related offenses listed above in Title 18 and criminal tax offenses found in subchapter A of chapter 75 of the Internal Revenue Code to the list of predicate offenses contained in the Aggravated Identity Theft Statute. A conviction for aggravated identity theft adds **two years** to the sentence imposed for the underlying felony. The *Taxpayer Identity Theft Prevention and Enforcement Act* will allow for increased enforcement and prosecution against identity thieves. As Treasury notes in the [FY2015 Greenbook](#), the potential for an increased prison sentence under statute would serve as an additional deterrent to identity thieves (see pg. 241). This legislation provides just that.